



BOULT • CUMMINGS
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November 16, 2001

David Waddell, Esq.
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Complaint of BellSouth Telecommunications, Inc. Regarding the
Practices of Global Crossing Telecommunications, Inc. in the Reporting of
Percent Interstate Usage for Compensation for Jurisdictional Access
Services
Docket No. 01-00913

Dear David:

Please accept for filing the original and thirteen copies of the Motion to Dismiss
BellSouth's Complaint filed on behalf of Global Crossing Telecommunications, Inc. in the
above-captioned proceeding.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:


Henry Walker

HW/nl

Attachment

c: Guy Hicks, Counsel for BellSouth Telecommunications, Inc.

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

Re: Complaint of BellSouth)	
Telecommunications, Inc. Regarding the)	Docket No. 01-00913
Practices of Global Crossing)	
Telecommunications, Inc. in the Reporting of)	
Percent Interstate Usage for Compensation)	
for Jurisdictional Access Services.)	

**GLOBAL CROSSING TELECOMMUNICATIONS, INC.'S
MOTION TO DISMISS BELL SOUTH'S COMPLAINT
OR, IN THE ALTERNATIVE,
TO HOLD IN ABEYANCE BELL SOUTH'S COMPLAINT**

Global Crossing Telecommunications, Inc. ("Global Crossing"), pursuant to T.R.A. Rule 1220-1-2-.03, hereby moves the Hearing Officer to dismiss the above-captioned Complaint of BellSouth Telecommunications, Inc. ("BellSouth") filed before the Tennessee Regulatory Authority ("TRA") in this docket on October 19, 2001. In the alternative, Global Crossing requests the Hearing Officer to hold in abeyance these proceedings pending the outcome of substantially identical litigation previously filed in federal district court. In support of these Motions, Global Crossing, by undersigned counsel, states as follows:

I. INTRODUCTION AND SUMMARY

Global Crossing is an interexchange carrier ("IXC") serving approximately 1 million long distance customers across the U.S., including customers in Tennessee. BellSouth is both a local exchange company ("LEC") and an incumbent local exchange carrier ("ILEC") providing local access service to Global Crossing under the terms and conditions of its federal and state access service tariffs.

By bringing this complaint, BellSouth seeks to bypass the dispute resolution procedures in its applicable tariffs ignore federal jurisdiction over the separations process and impermissibly extend the limitations time for bringing a complaint. Additionally, BellSouth seeks to use the state commissions to forum shop and thereby avoid an earlier-filed action for declaratory judgment and injunctive relief brought by Global Crossing in the United States District Court for the Northern District of Georgia, which raises the very same issues that BellSouth raises in this action. *See Global Crossing Telecommunications, Inc. v. BellSouth Telecommunications, Inc.*, Civil Action No. 1:01-CV-2706 filed on October 11, 2001, attached hereto as Exhibit A. Instead of following the substantive and procedural mechanisms that have been used by LECs and IXC's for over 15 years, BellSouth asks the TRA – and seven other commissions in its region¹ – to second-guess those mechanisms and instead approve a novel (and still undescribed) measurement technique newly developed by BellSouth. Due to the numerous legal, technical and factual deficiencies of BellSouth's approach, this complaint should be dismissed.

Reduced to its essence, BellSouth's claim here, as in the other state proceedings, is that it believes Global Crossing's percent interstate usage ("PIU") factor to be incorrect. For over 15 years, however, BellSouth's federal tariffs, (relevant sections attached hereto as Exhibit B), have set forth a reasonable and workable approach to resolving such disputes, an approach that is mirrored in Section E2.3.14 of its Tennessee Access Services Tariff (relevant sections attached hereto as Exhibit C). Specifically, under procedures developed by the Federal Communications Commission and the Federal-State Joint Board on Separations, local exchange carriers disputing a reported PIU are required to request an independent audit of the carrier's interstate usage. The

¹ BellSouth has initiated the same proceedings before the Alabama Public Service Commission, the Florida Public Service Commission, the Georgia Public Service Commission, the Louisiana Public Service Commission, the Mississippi Public Service Commission, the North Carolina Utilities Commission, and the South Carolina Public Service Commission.

frequency, methods, standards and application of such audits are set forth in those tariffs, again pursuant to the instructions of the FCC and the Joint Board. This dispute can and should be resolved pursuant to those procedures. Because BellSouth has failed to adhere to the procedures for the calculation and verification of access charges which are clearly outlined in both its Tariff F.C.C. No. 1 and Section E2.3.14 of its Tennessee Access Services Tariff as well as seeking to recover for periods expressly barred by its interstate and intrastate access tariffs the Hearing Officer should grant this Motion to Dismiss.

In the alternative, the Hearing Officer should hold in abeyance BellSouth's complaint, until the same issues are resolved in the pending United States District Court proceeding. Otherwise, BellSouth will be permitted to manipulate the administrative process and create inefficient use of administrative resources by having eight (8) state commissions and one federal judge hear, review and make determinations, all at the same time, on *the same* factual and legal issues.²

II. BACKGROUND

Since the late 1980s, Global Crossing (or its predecessors) has operated in Tennessee and several other states as a reseller of long distance telecommunications services. In this capacity, Global Crossing carries long distance telephone calls to and from customers located in BellSouth's territory in Tennessee as well as in other states. To do this, Global Crossing obtains access to BellSouth's local exchange network by purchasing originating and terminating access services, principally Feature Group D ("FGD") services, under BellSouth's Tariff F.C.C. No. 1 and its Tennessee Access Services Tariff.

² Though the amount of dispute differs in each jurisdiction the issues in dispute are identical.

In accordance with the BellSouth Interstate Tariff, Global Crossing purchased originating and terminating access services from BellSouth. The termination access services provide Global Crossing with the "last mile" or local portion of the inbound long distance calls placed by Global Crossing customers. For example, if a Global Crossing subscriber in Memphis calls someone in Nashville, the call travels over the originating local exchange carrier's network to the closest Global Crossing point of presence, and is then carried by Global Crossing to an access point closest to the terminating end user, and is then transmitted to the recipient within Nashville on the BellSouth local network via BellSouth's terminating access service. This scenario works in the same fashion for both interstate and intrastate long distance calling.

Under BellSouth's Interstate Tariff, Global Crossing is required to report its PIU quarterly to BellSouth at a statewide level. BellSouth's Tariff F.C.C. No.1, §2.3.10(A). This reporting, which separates the percentage of interstate calls from the intrastate calls, is known as "jurisdictional separation." Such reporting is necessary because BellSouth's terminating access rate for interstate telephone service is generally lower than the rates for intrastate telephone service. In other words, though BellSouth performs exactly the same function in both cases, BellSouth generally charges more for terminating a call from Louisville to Nashville, than it does a call from Memphis, to Nashville. BellSouth's billings to Global Crossing for access charges are based on the PIU reports submitted to BellSouth by Global Crossing.

Since the late 1980s, and consistent with the BellSouth Interstate Tariff, Global Crossing had calculated its PIU quarterly using methods prescribed by the FCC.³

³ Where such information is available, Global Crossing uses the actual originating and terminating points of the call to determine its jurisdictional nature. Where insufficient information is provided, Global Crossing uses a variant of an FCC-approved surrogate methodology for determining FGD services, which is specified in the BellSouth Interstate Tariff. BellSouth's Tariff F.C.C. No. 1, § 2.3.10(A)(1)(c) (specifying the determination of PIU for "BellSouth SWA FGD"); BellSouth's Tariff F.C.C. No. 1, § 2.3.10(A)(2) (applying the "developed

In addition to establishing the methodology for calculating PIUs, BellSouth's tariff also provides a mechanism for verifying a disputed PIU report. Under the terms of its tariff, BellSouth may require Global Crossing to provide the data upon which Global Crossing's determination of a PIU was based in order to permit a verification audit of the PIU report. *See* BellSouth's Tariff F.C.C. No.1, §2.3.10(B)(1). The written request is considered the initiation of the audit. *See* BellSouth's Tariff F.C.C. No.1, § 2.3.10(B)(1). Such audits may be conducted no more frequently than once per year except in extreme circumstances. BellSouth's Tariff F.C.C. No.1, § 2.3.10(B)(2). Under the BellSouth Interstate Tariff, such audits may be conducted by an independent auditor contracted by BellSouth, by a mutually agreed upon independent auditor, or an independent auditor selected and paid for by Global Crossing. *See* BellSouth's Tariff F.C.C. No. 1 §§ 2.3.10(B)(1)–(3).

After an audit is completed, the BellSouth Interstate Tariff provides that any revision of the PIU to reflect the audit results must be limited to the quarter when the audit is completed, back one quarter and then applied two quarters going forward (a total of 12 months). BellSouth's Tariff F.C.C. No. 1 § 2.3.10(D)(1). BellSouth's federal and state tariffs⁴ are nearly identical regarding PIU disputes

On or about May 18, 2000, BellSouth began calculating the jurisdictional separation differently from the manner in which such separation was calculated before. Further, sometime in the third quarter of 2000, BellSouth began unilaterally to alter the PIU reports that Global Crossing provided to BellSouth and has billed Global Crossing based upon BellSouth's revisions to Global Crossing's reported PIU. Concurrent with the unilateral change in its calculation of the

PIU for BellSouth SWA FGD terminating" to particular services) *See* also BellSouth's Tennessee Access Services Tariff, Section E2.2.14(A).

⁴ *See* Section E2.3.14(B)–(D), BellSouth Tennessee Access Services Tariff.

jurisdictional separation, in or about the fall of 2000, BellSouth wrote to Global Crossing notifying it of an apparent dispute in the amount of PIUs reported by Global Crossing to BellSouth. Global Crossing responded, noting *inter alia*, that it was willing to engage in an audit as provided under the tariff. Global Crossing subsequently retained PricewaterhouseCoopers L.L.P., as independent auditors, to conduct an audit of the Global Crossing's PIU reporting procedures. Upon completion of the independent audit, Global Crossing provided BellSouth with the PricewaterhouseCoopers report, and offered to discuss the findings and its implications on Global Crossing's reported PIUs with BellSouth.

On August 28, 2001, BellSouth wrote to Global Crossing contending that Global Crossing owed BellSouth \$5.9 million in total for alleged over-reporting of Global Crossing's PIUs in its region. BellSouth also notified Global Crossing that BellSouth rejected out of hand the PricewaterhouseCoopers independent audit report. In asserting this claim, BellSouth stated that Global Crossing owed money arising from an alleged miscalculation of the PIU for periods beyond the one-year limit prescribed by the BellSouth Interstate Tariff. For reasons left unclear, BellSouth contended that Global Crossing had over-reported the amount of interstate telephone traffic and had done so since 1994. Upon information and belief, BellSouth based these contentions upon the use of proprietary or internal computer tracking software that supposedly was able to calculate the amounts of Global Crossing's PIU and the possible retroactive application of section 2.3.10(a)(1)(b) of the BellSouth Interstate Tariff, which became effective on May 18, 2000. This new mechanism for calculating PIUs, apparently implemented by BellSouth, has not been identified, tested or approved by either the FCC or the Authority as a valid surrogate for the actual PIU.

Despite the express provisions of its own tariff that require BellSouth to request an audit of Global Crossing's reported PIUs, BellSouth blatantly ignored the PricewaterhouseCoopers audit report and, instead, unilaterally invoked its own procedures for recalculating Global Crossing's PIU with a system not authorized as a surrogate for calculating PIUs. Finding no other alternative, on October 11, 2001, Global Crossing filed a complaint against BellSouth in the United States District Court for the Northern District of Georgia, alleging, among other things, that BellSouth had failed to adhere to its filed tariff through its intentional avoidance of the audit provisions provided in its tariff and its unilateral modification to Global Crossing's reported PIUs.

Instead of filing its answer and counter-claims in this Global Crossing's action, BellSouth, instead, filed this complaint and similar complaints before seven other state commissions, to avoid having its claim heard in connection with the pending federal litigation. By billing Global Crossing based upon BellSouth's unilateral revisions, BellSouth has sought to recover from Global Crossing in excess of \$7.9 million more (including interest and late payment charges) than Global Crossing has already paid. In doing so, BellSouth has refused to articulate either the factual or legal basis upon which BellSouth has unilaterally recalculated Global Crossing's reported PIUs.

As described herein, BellSouth's current complaint directly contradicts the long-established federal policies concerning jurisdictional separations. In fact, BellSouth's complaint is in direct contradiction of its audit requirement set forth under BellSouth's Tariff F.C.C. No. 1 – which requires audits as a first step to resolve disputes and which limits backward revision of the PIU and accompanying bills to one prior quarter. Importantly, these provisions are in

BellSouth's tariffs pursuant to FCC orders adopted on the recommendation of a Federal-State Joint Board.

III. ARGUMENT

A. THIS COMPLAINT SHOULD BE DISMISSED BECAUSE THE ISSUES RAISED MUST BE RESOLVED IN A UNIFORM FASHION PURSUANT TO FEDERAL LAW

1. **The Separations Process Inherently Requires These Issues of PIU Calculations be Resolved at the Federal Level.**

Jurisdictional separations involve the process of line drawing between interstate communications – which are regulated by the FCC – and intrastate communications, which are regulated by the T.R.A. Recognizing the need for a nationwide, uniform system for this line drawing process, the Congress enacted Section 2 of the Communications Act of 1934, as amended (the “Act”). This statute gives *exclusive* power over separations policy to the Federal Communications Commission (“FCC”). 47 U.S.C. § 152. Shortly after long distance competition was introduced upon the break-up of the Bell System, the FCC convened a Federal-State Joint Board in 1985 to study the allocation of costs and traffic between federal and state jurisdictions. The Joint Board reported its findings in a recommendation to the FCC in 1989. It should be noted that the Federal-State Joint Board was convened because “in the absence of a uniform measurement method for jurisdictional separations, a LEC could conceivably recover in both the interstate and intrastate jurisdiction for the same investment and expenses, or fail to recover the costs involved in either jurisdiction.” *See Determination of Interstate and Intrastate Usage of Feature Group A and Feature Group B Access Service, Memorandum Opinion and Order*, 4 FCC Rcd 8448 (1989) at ¶ 13.

The plan, recommended by the Joint Board and adopted by the FCC, had three basic components. First, the FCC determined that the jurisdiction of a call would be based upon the originating and terminating point of the call. If possible, the carrier would use the actual origination (or possibly termination) point of the call, otherwise, the carrier would use a surrogate, the "Entry/Exit Methodology," ("EES") under which the jurisdiction would be determined by where the call entered the network of the access customer of record. Importantly, the FCC concluded that the submission of reports by the affected IXC to the ILEC was the most effective method for determining the proper PIU.

The plan also anticipated that disputes might sometimes arise concerning the proper reporting of PIU. In these circumstances, the FCC mandated that an audit and dispute resolution mechanism be incorporated into the federal interstate tariff in order to address any concerns about the accuracy of the reports and to rectify any errors identified in the dispute process. This audit process was meant to protect *both* the ILEC and its IXC customer in the event of a dispute. Moreover, the frequency of audits was limited to prevent the ILECs from overburdening the IXCs with repeated demands. Thus, the Federal-State Joint Board sought to balance the rights of ILECs and IXCs in recommending procedures to be utilized for PIU verification. See *Determination of Interstate and Intrastate Usage of Feature Group A and Feature Group B Access Service, Recommended Decision and Order*, 4 FCC Rcd 1966 (1989) ("*Joint Board Recommended Decision and Order*"). This carefully constructed regulatory framework was required to be inserted into all ILEC access tariffs. BellSouth did so, but now seeks to ignore these provisions and utilize different procedures and different remedies.

Because of the interrelationship between interstate and intrastate reporting for PIU purposes, BellSouth's claims must be decided in a uniform manner by a single forum. The

FCC's mandate of a "uniform measurement method" cannot be achieved through the multiple duplicative cases BellSouth has initiated in eight separate state commission proceedings. Global Crossing has used the methodology prescribed by the FCC and set forth in BellSouth's interstate tariff. BellSouth's claims, therefore, must be heard pursuant to the FCC's orders and BellSouth's FCC tariff.

There is good reason for this to be the case. Because the traffic allocated between the two jurisdictions must equal 100%, it is critical that the same methodology be used to identify both interstate and intrastate usage. If BellSouth could go forward here, the Authority's decision could only apply to intrastate usage reported by Global Crossing. The T.R.A. cannot require a different methodology be used for interstate traffic; that task is left exclusively to the FCC. Thus, if BellSouth were to prevail in its claim that a methodology other than the FCC's methodology applies, BellSouth would receive compensation for more than 100% of the total traffic.⁵ Indeed, BellSouth's complaint cites no authority for the proposition that the T.R.A. could order a change in the amount of interstate access charges Global Crossing must pay.

Further, BellSouth's multi-state approach inevitably will produce inconsistent results throughout the region. Conceivably, one state may decide BellSouth's novel approach should be implemented, while others will decide that the FCC's methodology should continue to be applied. In that scenario, Global Crossing would be forced to use multiple methodologies in the separations process, instead of the uniform reporting mechanism that is required. Thus, the same

⁵ To illustrate: Global Crossing generally has reported that its PIU is 80%, and therefore has paid for 80% of its traffic pursuant to the FCC tariffs. BellSouth appears to believe the correct PIU is approximately 60%, and seeks to have this forum declare 40% of the traffic to be intrastate. If BellSouth prevails, it would receive payment for 80% of the traffic under FCC tariffs (as calculated by Global Crossing) and another 40% under state tariffs (as calculated by BellSouth), for a total of 120% of Global Crossing's traffic. It was precisely to prevent this over-recovery that the Joint Board was created and the FCC mandated a uniform methodology.

type of call might be "interstate" if it terminates in one state but intrastate if it terminates in another state. Plainly, the separations process cannot countenance such an absurd result.

2. BellSouth's Tariff Requires This Dispute to be Resolved at the Federal Level.

It is decades old law, recently restated by the U.S. Supreme Court, that carriers must follow their own tariffs. *AT&T Co. v. Central Office Tel., Inc.*, 524 U.S. 214, 226 (1998) (reversing the Ninth Circuit's refusal to apply the filed-tariff doctrine). Both the carrier issuing the tariff and the customer purchasing under the tariff are equally bound by this doctrine.

In this case, BellSouth's interstate tariff explicitly addresses disputes of this nature. Among the many provisions within the tariff, BellSouth is allowed to initiate an audit to contest a carrier's PIU. It cannot simply demand payment based on some private, undisclosed, untested and unapproved new methodology and threaten an IXC with service interruptions when it disagrees. Global Crossing is required under the tariff to provide call detail information in response to the audit request. Global Crossing reported its PIU as required under the tariff. Global Crossing made the required payments pursuant to the tariff. Any disputes that arise are to be resolved pursuant to the tariff.

While it is true that the state tariff mirrors these FCC audit and dispute procedures, these issues should not be resolved under the state tariff, but rather under the federal interstate tariff. Issues of PIU concern interstate as well as intrastate percentages. BellSouth cannot be permitted to proceed under the state tariff when the issues also implicate the federal tariff. Otherwise, the uniformity and consistency recommended by the Joint Board would be ignored. Therefore, these issues must be resolved in a single forum, pursuant to the applicable federal tariffs.

3. An Appropriate Federal Forum is Already Reviewing These Issues

In order to preserve the policies discussed above, and as provided for under the Act, Global Crossing has sought remedy of the issue in dispute in federal court, the appropriate forum for a dispute involving the percentage of *interstate* usage. Further, Global Crossing has raised all of the issues present in this complaint at the United States District Court. Global Crossing has sought declaratory judgment concerning the requirement of an independent audit (as provided for under the tariff), the method of accounting and verifying the PIU reported and BellSouth's unilateral modification of Global Crossings PIU reports. In addition, Global Crossing has also sought declaratory judgment on the time frames for requesting an audit (and the data subject to such a request) and the statute of limitations concerning BellSouth's backbilling request. However, instead of raising these issues as compulsory counterclaims in the pending federal court proceeding, BellSouth instead made an end run around the federal court and filed this complaint.

In addition, by filing in eight separate state regulatory forums, BellSouth is trying to use the individual states as a method of avoiding the pending federal dispute. With eight pending state investigations with eight possible different outcomes, BellSouth's conduct illustrates exactly why the decision should first be made at the federal district level. Otherwise, appeals from the state regulatory level to the federal courts are inevitable if a split of decisions is made. Not only would the facts and laws be consistently applied to all of BellSouth's complaints at the federal level, but also precious administrative and judicial resources would be saved. In all likelihood, the same witnesses, documents, and exhibits would be used in each of the eight state proceedings, creating a logistical nightmare of coordinating not only the schedules of the witnesses, but also the already overburdened dockets at the state level. It would be illogical and unfair to allow BellSouth to tie up the resources of eight state regulatory bodies while

simultaneously using the same bodies as a way of escaping the pending dispute in federal court. BellSouth's interests in this state proceeding are well protected by the federal court. BellSouth will be provided ample opportunity to present its case in that forum.

B. THE COMPLAINT SHOULD BE DISMISSED UNDER STATE LAW AS WELL

As stated above, the issue of PIU is not an issue ordinarily within the purview of the T.R.A. PIU refers to the percentage *interstate* usage. BellSouth should not be permitted to bypass the FCC's oversight of interstate traffic by raising the PIU issue under the guise of a tariff interpretation and thus a state regulatory issue. The states were not granted jurisdiction over this area because matters of jurisdictional allocation and separations inherently must be uniform throughout the nation to ensure fairness and consistency. As the FCC said in connection with its PIU deliberations, "in the absence of a uniform measurement method for jurisdictional separations, a LEC could conceivably recover in both the interstate and intrastate jurisdiction for the same investment and expenses, or fail to recover the costs involved in either jurisdiction." *See Determination of Interstate and Intrastate Usage of Feature Group A and Feature Group B Access Service, Memorandum Opinion and Order*, 4 FCC Rcd 8448, ¶13 (1989). Even if there were a plausible basis for state jurisdiction, state law does not, under the circumstances presented here, allow BellSouth to proceed with its complaint before the Authority.

1. BellSouth Has Not Stated A Claim Upon Which Relief May be Granted by the Authority

Curiously, BellSouth does not cite to the jurisdictional basis under which it purports to bring this complaint. Under T.C.a. § 65-4-104, the T.R.A. has jurisdiction over telecommunications companies in the provision of services to customers. Nowhere in Title 65f has the T.R.A. been given authority to "order" the behavior of customers of telecommunications

services. Nor does the T.R.A.'s regulatory oversight extend to "ordering" a customer to pay any amount claimed to be owed for the purchase of telecommunications services.

Global Crossing does not dispute that the T.R.A. has jurisdiction over BellSouth's intrastate tariffs. This is not, however, a complaint to apply, interpret, or enforce a tariff. To the contrary, BellSouth seeks remedies which are directly contrary to those provided in BellSouth's tariff and seeks to collect disputed amounts without regard for the audit provisions in the tariff. This matter should be directed to the appropriate forum, one in which proper damages, if any, can be awarded and one where there will be a consistent interpretation of the law applied to the facts of this matter.

2. BellSouth is Violating its State Tariff as Well

In addition to the terms of its federal tariff, BellSouth has intentionally ignored the audit and dispute resolution provisions contained within its state tariff. These provisions, like their federal counterparts, spell out the procedures and protections for BellSouth and Global Crossing in the event of a dispute between the two parties concerning the reported PIU. Despite the important need for these provisions to be included in the tariff, BellSouth has simply chosen not to follow them, and thus, intentionally to violate its state tariff.

a. BellSouth is subverting the audit procedures in its tariff and has ignored the independent audit demonstrating Global Crossing's compliance with its PIU reporting obligations.

Under the terms of its state tariff, as is the case with the federal tariff, BellSouth is required to request an audit of Global Crossing's PIU reports. Specifically, the state tariff requires that when a billing dispute arises, "the Company may, by written request, required the customer to provide the data the customer used to determine the projected interstate percentage" for one quarter. §E2.3.14(B)(1), BellSouth Tennessee Access Services Tariff. BellSouth may

request such an audit "no more frequently than once per year, except in extreme circumstances." §E2.3.14(B)(2),), BellSouth Tennessee Access Services Tariff. Such audits are to be conducted by an independent auditor. §E2.3.14(B)(3), BellSouth Tennessee Access Services Tariff.

BellSouth never invoked this provision, intentionally ignoring its own tariff and its obligations there under. Furthermore, when offered the results of an independent audit conducted at the request and expense of Global Crossing, BellSouth flatly refused to accept or even consider the audit findings as relevant to the determinations of the correct PIU calculations. Instead, BellSouth ignored established procedures and requirements set forth in its tariff, and unilaterally determined the new amounts of PIU owed by Global Crossing. BellSouth cannot be permitted to ignore its own filed tariff and the included audit provisions simply because it chooses to do so. Therefore, because BellSouth has not followed its tariff, its attempt to impose a different PIU is premature. The T.R.A. should dismiss this case and order BellSouth to comply with the audit provisions within its own tariff.

b. By failing to request audits, BellSouth has waived any tariff claims it might have had

The state tariff clearly permits revisions of the PIU and subsequent backbilling (if necessary) *only after* an audit has been performed. §E2.3.14(D)(1) BellSouth Tennessee Access Services Tariff. The tariff, therefore, provides that the audit results are the only means by which BellSouth can recover for incorrectly reported PIUs. Further, the audit provision expressly limits its retroactive application to a single calendar quarter. §E2.3.14(B)(1), BellSouth Tennessee Access Services Tariff. In other words, BellSouth's only remedy for an incorrect PIU is to backbill for one quarter, which it can only do based on the results of an audit.

Global Crossing, in compliance with the requirements of BellSouth's tariff, submitted PIU reports quarterly to BellSouth. Global Crossing has done so throughout the entire time

period in dispute (1994-2000). In other words, Global Crossing has submitted to BellSouth 28 PIU reports. Each time Global Crossing submitted its report, BellSouth had the opportunity to request an audit of Global Crossing's PIU report. However, not once after any of the 28 PIU reports, did BellSouth request such an audit.

By sitting on its hands, and failing to invoke rights it has under its tariffs, BellSouth has waived any claim it may have had with respect to Global Crossing's PIU reports. BellSouth may not now, seven years after the fact, seek to recover for time periods that it failed to invoke its own audit procedures. It would be even more inappropriate to permit BellSouth to receive interest on "missing payments" which it failed to timely investigate. By failing to ever invoke its own audit provisions, BellSouth has effectively waived its right to dispute the PIU reports submitted by Global Crossing.

3. BellSouth's Claims Are Time-Barred

In addition to violating both federal and state law, most, if not all of BellSouth's claims in its complaint are barred either by specific tariff provisions concerning back billing.

a. The tariff limits BellSouth to retroactive billing for at most one calendar quarter.

Under its terms, BellSouth's Tennessee tariff provides that any revision of the PIU required to reflect the audit results may be limited to the quarter when the audit is completed, back one quarter and then applied two quarters going forward (a total of 12 months). See §E2.3.14(D)(1), BellSouth Tennessee Access Services Tariff. Specifically, the tariff states that "[t]he PIU resulting from the audit shall be applied to the usage for the quarter the audit is completed, the usage for the quarter prior to the completion of the audit, and the usage for two quarters following the completion of the audit" §E2.3.14(D)(1), BellSouth Tennessee Access Services Tariff. Therefore, even if the T.R.A. can hear BellSouth's claims, it may not hear

BellSouth's request for relief dating all the way back to 1994. At most, BellSouth can only seek retroactive adjustment for one quarter prior to which an audit is conducted. All other claims are barred by BellSouth's tariff.

This limitation is consistent with the rest of BellSouth's tariff as well. BellSouth cannot reasonably expect to recover for PIU differences that date back more than seven years when Global Crossing is not required, under the terms of BellSouth's own tariff, to retain any call detail documentation of the PIU for more than six months. §E2.3.14(C)(1), BellSouth Tennessee Access Services Tariff. Without such records, there would be no basis upon which BellSouth could dispute Global Crossing's reported PIU, nor any basis for Global Crossing to verify its usage. BellSouth does not have the authority to recover for time periods not covered under its tariff.

C. **EVEN IF SOME OF THE ISSUES ARE UNIQUE TO THIS STATE, THE COMPLAINT SHOULD BE HELD IN ABEYANCE**

By this Motion, Global Crossing asks the Hearing Officer to dismiss BellSouth's Complaint or, in the alternative, hold in abeyance this dispute until it is resolved at the United States District Court for the Northern District of Georgia. By doing so, the Hearing Officer would avoid the possibility of two conflicting interpretations of a federally created separations methodology and a federal tariff as well as prevent the inefficient allocation of administrative resources. Otherwise, BellSouth could potentially have nine different state commissions and a federal court hear, review and make determinations on *the same issues at the same time*.

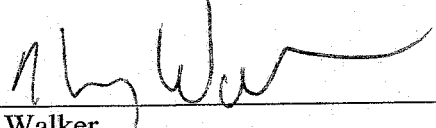
IV. **CONCLUSION**

Based on the foregoing, this Motion to Dismiss should be granted in favor of Global Crossing. In the alternative, the Hearing Officer should hold in abeyance BellSouth's complaint

and this proceeding until after the conclusion of the pending United State District Court proceeding.

Respectfully submitted,

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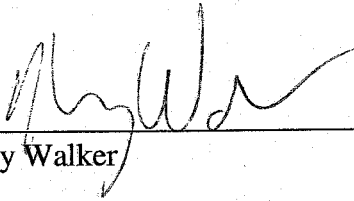
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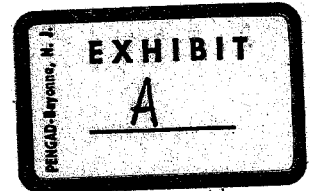
Dated: November 16, 2001

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via fax or hand delivery and U.S. mail to the following on this the 16th day of November, 2001.

Guy Hicks, Esq.
BellSouth Telecommunications, Inc.
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Nashville, TN 37201-3300


Henry Walker



UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

GLOBAL CROSSING
TELECOMMUNICATIONS, INC.,
a Michigan corporation,

Plaintiff,

v.

BELLSOUTH TELECOMMUNICATIONS,
INC., a Georgia corporation,

Defendant.

1:01-cv-2706

Civil Action No. _____

COMPLAINT

Plaintiff Global Crossing Telecommunications, Inc.

("Global Crossing"), by counsel, alleges as follows:

PARTIES

1.

Global Crossing is a Michigan corporation with its principal place of business at 180 South Clinton Avenue, Rochester, New York. Global Crossing is a nationwide interexchange carrier ("IXC") that is certificated and authorized by the Federal Communications Commission ("FCC") to provide, among other services, long distance telephone services

in the various states serviced by defendant BellSouth Telecommunications, Inc., including the states of Georgia, Florida, and North Carolina.

2.

Defendant BellSouth Telecommunications, Inc.

("BellSouth") is a Georgia corporation with its principal place of business at 675 West Peachtree Street, N.E. Atlanta, Georgia, and may be served through its registered agent CSC of Gwinnett Co., Inc., 4845 Jimmy Carter Boulevard, Norcross, GA 30093.

BellSouth is a local telephone company, also known in the industry as an "incumbent local exchange carrier" or "ILEC," that is certificated and authorized by the FCC to provide, among other services, access for telephone services to IXC's, such as Global Crossing.

JURISDICTION AND VENUE

3.

This Court has jurisdiction of this matter under 28 U.S.C. §§ 1331 and 1337 (2000) (federal question) because the matter concerns the duties, charges, and liabilities arising under the Telecommunications Act of 1934, as amended, 47 U.S.C. §§ 151 et seq. (the "Telecommunications Act"), and the relevant tariffs filed by BellSouth under the Telecommunications Act, and

28 U.S.C. § 1332 (2000) (diversity), due to diversity of citizenship, and the amount in controversy exceeding \$75,000, exclusive of interest and costs. Global Crossing seeks a declaratory judgment and injunctive relief under 28 U.S.C. §§ 2201 and 2202 (2000).

4.

Venue is proper in this Court under 28 U.S.C. § 1391.

BACKGROUND

5.

BellSouth provided and continues to provide interstate telecommunications services to Global Crossing pursuant to the Telecommunications Act and BellSouth's Interstate Tariff, as amended and filed with the FCC in accordance with the Telecommunications Act. Global Crossing utilizes these services as part of the telecommunications services that it provides to Global Crossing customers throughout the states serviced by BellSouth, including Georgia, Florida, and North Carolina.

6.

In accordance with the BellSouth Interstate Tariff, Global Crossing purchased originating and terminating access services from BellSouth. The termination access services provide Global Crossing with the "last mile" or local portion of

the inbound long distance calls placed by Global Crossing customers. For example, if a Global Crossing subscriber in Chicago calls someone in Atlanta, the call travels over the Global Crossing network to the Atlanta region, and then is transmitted to the recipient within Atlanta on the BellSouth local network via BellSouth's terminating access service. This scenario works in the same fashion for both interstate and intrastate long distance calling.

7.

Under BellSouth's Interstate Tariff, Global Crossing is required to report the percentage of interstate usage ("FIU") to BellSouth at a statewide level. BellSouth's Tariff F.C.C. No. 1, § 2.3.10(A) (effective August 1, 2000). This reporting, which separates the percentage of interstate calls from the intrastate calls, is known as "jurisdictional separation." Such reporting is necessary because BellSouth's terminating access rate for interstate telephone service is substantially lower than the rates for intrastate telephone service. In other words, though BellSouth performs exactly the same function in both cases, BellSouth charges Global Crossing substantially more for terminating a call from Savannah to Atlanta than it does a

call from Seattle to Atlanta. BellSouth's billings to Global Crossing are based on the PIU reports.

8.

BellSouth's Interstate Tariff is not merely a contract, but is instead federal law. Accordingly, BellSouth must scrupulously adhere to the terms of the Interstate Tariff.

9.

Consistent with the BellSouth Interstate Tariff, Global Crossing calculates its quarterly PIU using methods prescribed by the FCC, including the recordation of the telephone traffic for which the entry and exit information could be discerned, the recordation of information taken from reseller files, and recordation of information generated by the use of a variant of the "Entry-Exit Surrogate" ("EES") methodology, which is specified in the BellSouth Interstate Tariff and which, by operation of that Interstate Tariff, applies to BellSouth's Feature Group D ("FGD") services. BellSouth's Tariff F.C.C. No. 1, § 2.3.10(A)(1)(c) (specifying the determination of PIU for "BellSouth SWA FGD"); BellSouth's Tariff F.C.C. No. 1, § 2.3.10(A)(2) (applying the "developed PIU for BellSouth SWA FGD terminating" to particular services).

10.

The BellSouth Interstate Tariff specifies that, if BellSouth disputes a PIU report, BellSouth may require Global Crossing to provide the data upon which Global Crossing's determination of PIU was based in order to permit a verification audit of the PIU report. BellSouth's Tariff F.C.C. No. 1, § 2.3.10(B)(1) ("the Telephone Company may, by written request, require the customer to provide the data the customer used to determine the projected interstate percentage."). The written request is considered the initiation of the audit. BellSouth's Tariff F.C.C. No. 1, § 2.3.10(B)(1) ("This written request will be considered the initiation of the audit.") Such audits may be conducted no more frequently than once per year except in extreme circumstances. BellSouth's Tariff F.C.C. No. 1, § 2.3.10(B)(2) ("verification audits may be conducted no more frequently than once per year except in extreme circumstances.") Under the BellSouth Interstate Tariff, such audits may be conducted by an independent auditor under contract with BellSouth; a mutually agreed upon independent auditor; or an independent auditor selected and paid for by Global Crossing. BellSouth's Tariff F.C.C. No. 1 §§ 2.3.10(B)(1)-(3) ("When a customer provides a projected interstate usage report . . . or

when a billing dispute arises . . . the Telephone Company may, by written request, require the customer to provide the data the customer used to determine the projected interstate percentage. This written request will be considered the initiation of the audit. . . . Audits may be conducted by: (a) an independent auditor under contract to the Telephone Company; (b) a mutually agreed independent auditor; or (c) an independent auditor selected and paid for by the customer.")

11.

After an audit is completed, the BellSouth Interstate Tariff provides that any revision of the PIU to reflect the audit results must be limited to the quarter when the audit is completed, plus two more quarters going forward and backward for one prior quarter (a total of 12 months). BellSouth's Tariff F.R.C. No. 1 § 2.3.10(D)(1) ("The PIU resulting from the audit shall be applied to the usage for the quarter the audit is completed, the usage for the quarter prior to the completion of the audit, and the usage for two (2) quarters following the completion of the audit.")

12.

On or about May 18, 2000, BellSouth amended the BellSouth Interstate Tariff to permit the company to calculate

jurisdictional separation differently from the manner in which such separation was calculated before. The BellSouth Interstate Tariff provides, "[w]hen [BellSouth] receives sufficient call detail to permit [BellSouth] to determine the addition of originating and terminating access minutes to [BellSouth] will bill according to these actual minutes of and will not use customer reported Percent Interstate Usage factors." BellSouth's Tariff F.C.C. No. 1 3.10(A)(1)(b).

13.

In or about the fall of 2000, an apparent dispute arose concerning Global Crossing's PTU. After this dispute arose, Global Crossing retained the independent auditors, PricewaterhouseCoopers L.L.P., to conduct an audit of the Global Crossing's PTU.

14.

For reasons left unclear, BellSouth contended that Global Crossing had over-reported the amount of interstate telephone traffic and had done so since 1994. Upon information and belief, BellSouth based these contentions upon the use of proprietary or internal computer tracking software that supposedly was able to calculate the amounts of Global

Crossing's PIU and the possible retroactive application of section 2.3.10(a)(1)(b) of the BellSouth Interstate Tariff, which became effective on May 18, 2000.

15.

On August 28, 2001, BellSouth wrote to Global Crossing commending that Global Crossing owed BellSouth \$5,929,082 for the alleged over-reporting of Global Crossing's interstate usage.

16.

BellSouth also notified Global Crossing that BellSouth rejected certain findings contained in PricewaterhouseCoopers independent audit report.

17.

In addition, BellSouth claimed that Global Crossing owed money arising from an alleged miscalculation of the PIU for periods beyond the one-year limit prescribed by the BellSouth Interstate Tariff.

18.

Commencing with the third quarter of 2000, BellSouth began unilaterally to alter the PIU reports that Global Crossing provided to BellSouth and has billed Global Crossing based upon BellSouth's revisions to Global Crossing's reported PIU. In

billing Global Crossing based upon BellSouth's unilateral revisions, BellSouth has sought to recover from Global Crossing in excess of \$2.34 million more than Global Crossing would owe under the BellSouth Interstate Tariff and Global Crossing's reported PIUs computed under the BellSouth Interstate Tariff. In doing so, BellSouth has refused to articulate either the factual or legal basis upon which BellSouth has unilaterally recalculated Global Crossing's reported PIUs. Section 2.3.10 (A) (1) (b) of the BellSouth Interstate Tariff provides that, "[w]hen the Telephone Company receives sufficient call detail to permit it to determine the jurisdiction of the originating and terminating access minutes of use, the Telephone Company will bill according to these actual minutes of use and will not use Customer reported Percent Interstate Use (PIU) factors." This provision became effective May 20, 2000. This section of the BellSouth Interstate Tariff, in a provision that was effective prior to May 20, 2000, continues: "Where the Telephone Company receives insufficient call detail to determine the jurisdiction, the Telephone Company will apply the Customer's projected PIU factor to apportion the usage between interstate and intrastate."

COUNT I

(Declaratory Judgment Regarding an Independent Audit)

19.

Global Crossing repeats and incorporates here by reference the allegations of Paragraphs 1-18.

20.

BellSouth provided telecommunications services to Global Crossing under the BellSouth Interstate Tariff and the Telecommunications Act. Thus, the BellSouth Interstate Tariff and the Telecommunications Act govern BellSouth's rights and remedies for the provision of such services.

21.

The initiation of an independent audit is the only remedy available to BellSouth under the BellSouth Interstate Tariff to correct for miscalculated PIU.

22.

BellSouth's refusal to use an independent audit in order to determine the accuracy of Global Crossing's jurisdictional separation of interstate and intrastate telephone service is unlawful and inconsistent with the BellSouth Interstate Tariff.

23.

Global Crossing is entitled to a declaratory judgment that BellSouth's refusal to abide by an independent audit is unlawful and inconsistent with the BellSouth Interstate Tariff and to an injunction barring BellSouth from using BellSouth's own audit or any other means as a basis for claiming miscalculations of Global Crossing's PIU.

COUNT II

(Declaratory Judgment Regarding BellSouth's PIU Calculation)

24.

Global Crossing repeats and incorporates here by reference the allegations of Paragraphs 1-23.

25.

Even assuming that BellSouth was lawfully entitled to rely upon a mechanism other than an independent audit as required by the BellSouth Interstate Tariff in order to calculate Global Crossing's jurisdictional separation of interstate and intrastate telephone calls, the mechanism used by BellSouth to ascertain Global Crossing's jurisdictional separation is flawed, based upon incorrect assumptions, and generated an erroneous product.

26.

Global Crossing is entitled to a declaratory judgment that BellSouth's calculation of Global Crossing's jurisdictional separation of interstate and intrastate telephone calls is erroneous and may not be used as a basis for seeking PIU undercharges under the BellSouth Interstate Tariff.

COUNT III

(Declaratory Judgment Regarding Timeframes)

27.

Global Crossing repeats and incorporates here by reference the allegations of Paragraphs 1-26.

28.

BellSouth provided telecommunications services to Global Crossing under the BellSouth Interstate Tariff and the Telecommunications Act. The BellSouth Interstate Tariff and the Telecommunications Act govern BellSouth's rights, remedies, and obligations for the provision of such services.

29.

The BellSouth Interstate Tariff provides that the PIU resulting from any audit requested by BellSouth shall be applied to the usage for the quarter audited, the usage for the quarter prior to completion of the audit, and the usage for the two

quarters following the completion of the audit. This means that any adjusted PIU resulting from an audit must be applied to the usage for a total of 12 months, but no more.

30.

In demanding the alleged underreporting of approximately \$5.9 million, BellSouth is apparently seeking adjustments well beyond the one-year limitation set forth in the BellSouth Interstate Tariff. This request is unlawful and inconsistent with the BellSouth Interstate Tariff.

31.

Global Crossing is entitled to a declaratory judgment that BellSouth's use of a timeframe in excess of the one-year limitation set forth in the BellSouth Interstate Tariff is unlawful and inconsistent with the BellSouth Interstate Tariff and to an injunction barring BellSouth from using any timeframe other than the one-year period contained in the BellSouth Interstate Tariff.

COUNT IV

(Declaratory Judgment Regarding Statute of Limitations)

32.

Global Crossing repeats and incorporates here by reference the allegations of Paragraphs 1-31.

33.

BellSouth's interstate terminating access services are interstate services subject to the Telecommunications Act. 47 U.S.C. § 151 et seq. BellSouth's offering of services, and its dealings with Global Crossing, is subject to the Telecommunications Act.

34.

Section 415(a) of the Telecommunications Act, 47 U.S.C. § 415(a), requires that "[a]ll actions at law by carriers for recovery of their lawful charges, or any part thereof, shall be begun, within two years from the time the cause of action accrues, and not after."

35.

In demanding payment for alleged underpaying that occurred more than two years prior to the date of such a demand, BellSouth is seeking recovery beyond the statute of limitations contained in 47 U.S.C. § 415(a). In the alternative to relief requested in Count III, Global Crossing is entitled to a declaratory judgment that BellSouth may, in no event, seek recovery beyond the two-year statute of limitations contained in 47 U.S.C. § 415(a) and an injunction barring BellSouth from

seeking payment for calls that are outside the two-year limitation of 47 U.S.C. § 415(a).

COUNT V

(Declaratory Judgment Regarding
Unilateral Modification of Reported PIUs)

36.

Global Crossing repeats and incorporates here by reference the allegations of Paragraphs 1- 35.

37.

BellSouth provides and continues to provide telecommunications services to Global Crossing under the BellSouth Interstate Tariff and the Telecommunications Act. The BellSouth Interstate Tariff and the Telecommunications Act govern BellSouth's rights, remedies, and obligations for the provision of such services.

38.

Under BellSouth's Interstate Tariff, unless BellSouth has sufficient call detail to utilize its own reports, BellSouth must use customer reported PIU.

39.

BellSouth has not demonstrated that BellSouth possesses sufficient call detail to determine the jurisdictional nature of all of Global Crossing's telephone traffic. Upon information and belief, while BellSouth may be able to determine the jurisdictional nature of some of Global Crossing's telephone traffic, BellSouth does not possess sufficient call detail to determine all of Global Crossing's telephone traffic.

40.

In unilaterally recalculating Global Crossing's reported PIU, BellSouth has violated the BellSouth Interstate Tariff.

41.

Global Crossing is entitled to a declaratory judgment that BellSouth may not unilaterally modify Global Crossing's reported PIU in a manner inconsistent with the BellSouth Interstate Tariff and an injunction barring BellSouth from unilaterally modifying Global Crossing's reported PIU in a manner inconsistent with the BellSouth Interstate Tariff.

42.

An actual controversy exists between Global Crossing and BellSouth as to which Global Crossing seeks a declaration of

rights and other legal relations under the Telecommunications Act of 1934 and BellSouth's Interstate Tariffs.

DEMAND FOR JUDGMENT

Global Crossing Telecommunications, Inc. respectfully requests that the Court enter an Order against BellSouth Telecommunications Corporation awarding Global Crossing:

(1) A Declaratory Judgment that:

- (a) BellSouth's refusal to abide by an independent audit is unlawful and inconsistent with the BellSouth Interstate Tariff and to an injunction barring BellSouth from using BellSouth's own audit or any other means as a basis for claiming miscalculations of Global Crossing's PIU;
- (b) BellSouth's calculation of Global Crossing's jurisdictional separation of interstate and intrastate telephone calls is erroneous and may not be used as a basis for seeking PIU undercharges under the BellSouth Interstate Tariff;
- (c) BellSouth's use of a timeframe in excess of the one-year limitation set forth in the

BellSouth Interstate Tariff is unlawful and inconsistent with the BellSouth Interstate Tariff;

(d) BellSouth may not seek recovery for calls that are beyond the two-year statute of limitations contained in 47 U.S.C. § 415(a); and

(e) BellSouth's unilateral recalculation of Global Crossing's reported PIU is unlawful and inconsistent with the BellSouth Interstate Tariff.

(2) An injunction restraining BellSouth from:

(a) using BellSouth's own audit or any other means as a basis for claiming miscalculations of Global Crossing's PIU;

(b) using any timeframe other than the one-year period contained in the BellSouth Interstate Tariff to calculate Global Crossing's PIU;

(c) seeking payment for calls that are outside the two-year limitation of 47 U.S.C.

§ 415(a); and

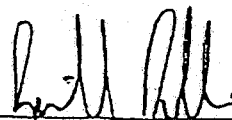
(3) unilaterally recalculating Global Crossing's reported PIU until such time as BellSouth can determine the jurisdiction of originating and terminating access minutes of use, consistent with the BellSouth Interstate Tariff.

(3) Global Crossing's costs and fees, including attorney fees; and

(4) such other relief as the Court deems just and proper.

Respectfully submitted this 11th day of October, 2001.

GLOBAL CROSSING
TELECOMMUNICATIONS, INC.



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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

GLOBAL CROSSING
TELECOMMUNICATIONS, INC.,
a Michigan corporation,

Plaintiff,

v.

BELLSOUTH TELECOMMUNICATIONS,
INC., a Georgia corporation,

Defendant.

Civil Action No. _____

PLAINTIFF'S RESPONSES TO INITIAL DISCLOSURES

(1) State precisely the classification of the cause of action being filed, a brief factual outline of the case including plaintiff's contentions as to what defendant did or failed to do, and a succinct statement of the legal issues in the case.

Plaintiff Global Crossing's causes of action relate to defendant BellSouth's breach of duties and improper telecommunication charges and Global Crossing's potential liabilities, all of which arise under the Telecommunications Act of 1934, 47 U.S.C. §§ 151, et seq., and under the relevant federal tariffs

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filed by BellSouth pursuant to the Telecommunications Act. In particular, Global Crossing contends that BellSouth failed to abide by federal law and the relevant federal tariffs by, among other things, miscalculating the amount of "jurisdictional separation" of interstate and intrastate telephone usage for purposes of charging Global Crossing for telephone transmission services and seeking to overcharge Global Crossing for telephone service pursuant to such miscalculations in direct derogation of the BellSouth Interstate Tariffs. Thus, the legal issues in this action generally are whether BellSouth violated the Telecommunications Act and relevant federal tariffs in calculating Global Crossing's jurisdictional separation.

(2) Describe in detail all statutes, codes, regulations, legal principles, standards and customs or usages, and illustrative case law which plaintiff contends are applicable to this action.

This case revolves around certain provisions of the Telecommunications Act and BellSouth's federal tariff, which, under federal law, is not merely a contract, but is the equivalent of a federal regulation. *Thurston Motor Lines, Inc. v. Jordan K. Rand, LTD.*, 460 U.S. 533 (1983) (per curiam); *Ivy Broadcasting Co. v. American Tel. & Tel. Co.*, 391 F.2d 486 (2d Cir. 1968). The "filed tariff doctrine" requires BellSouth to abide by the terms of its own federal tariffs. E.g., *AT&T Co.*

v. Central Office Tel., Inc., 524 U.S. 214 (1998). Global Crossing contends that BellSouth's unilateral and erroneous computations of Global Crossing's jurisdictional separation of interstate and intrastate telephone calls, BellSouth's refusal to rely upon an independent audit to resolve disputes as to such separation, and BellSouth's attempt to seek adjustments in the charges beyond the limits imposed by the federal tariff or, alternatively, the Telecommunications Act are unlawful.

(3) Provide the name and, if known, the address and telephone number of each individual likely to have discoverable information relevant to disputed facts alleged with particularity in the pleadings, identifying the subjects of the information. (Attach witness list to Responses to Mandatory Disclosures as Attachment A.)

See Attachment A.

(4) Provide the name of any person who may be used at trial to present evidence under Rules 702, 703 or 705 of the Federal Rules of Evidence. For all experts described in Fed.R.Civ.P. 26(a)(2)(B), provide a separate written report satisfying the provisions of that rule. (Attach expert witness list and written reports to Responses to Mandatory Disclosures as Attachment B.)

See Attachment B.

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(5) Provide a copy of, or description by category and location of, all documents, data compilations, and tangible things in your possession, custody or control that are relevant to disputed facts alleged with particularity in the pleadings. (Attach document list and descriptions to Responses to Mandatory Disclosures as Attachment C.)

See Attachment C.

(6) In the space provided below, provide a computation of any category of damages claimed by you. In addition, include a copy of, or describe by category and location of, the documents or other evidentiary material, not privileged or protected from disclosure, on which such computation is based, including materials bearing on the nature and extent of injuries suffered, making such documents or evidentiary material available for inspection and copying as under Fed.R.Civ.P. 34. (Attach any copies and descriptions to Responses to Mandatory Disclosures as Attachment D.)

BellSouth is contending according to a demand letter that Global Crossing owes BellSouth approximately \$5.9 million for allegedly over-reporting Global Crossing's interstate telephone usage. BellSouth's claim is based upon an internal calculation to which Global Crossing is not privy, and BellSouth is in sole possession of documents relating to this calculation.

(7) Attach for inspection and copying as under Fed.R.Civ.P. 34 any insurance agreement under which any person carrying on an insurance business may be liable to satisfy part or all of a judgment which may be entered in this action or to indemnify or reimburse for payments made to satisfy the judgment. (Attach copy of insurance agreement to Responses to Mandatory Disclosures as Attachment E.)

None.

(8) Disclose the full name, address, and telephone number of all persons or legal entities who have a subrogation interest in the cause of action set forth in plaintiff's cause of action and state the basis and extent of such interest.

None.

Respectfully submitted this 11th day of October, 2001.



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ATTACHMENT A

Without discovery, Global currently is unable to identify the names of all people likely to have discoverable information, but the following individuals possess such information:

Mr. Robert G Steger
Former Vice President for Global Crossing
c/o Global Crossing Telecommunications, Inc.
30300 Telegraph Road
Bingham Farms, Michigan 48025
(248) 203-8001
(Global Crossing's calculation of PIU and
BellSouth's demands)

Ms Jacqueline Kott
Acting Director of Cost of Access
Global Crossing Telecommunications, Inc.
30300 Telegraph Road
Bingham Farms, Michigan 48025
(248) 203-8001
(Global Crossing's calculation of PIU and
BellSouth's demands)

Wayne T. McGaw, Esquire
BellSouth Telecommunications, Inc.
365 Canal Street
Room 2060
New Orleans, LA 70130
(504) 528-2058
(BellSouth's calculation of jurisdictional
separation and BellSouth's demand letter)

Mr. Michael Harper
BellSouth Telecommunications, Inc.
Project Manager - Business Intelligence
34P70 BellSouth Center
675 West Peachtree Street, N.E.
Atlanta, GA 30375
(404) 927-8076
(BellSouth's calculation of jurisdictional
separation)

ATTACHMENT B

Global Crossing has not made any determination as to the need of expert testimony.

DATE

OCT 26 2001

LUTHER D. ...

By *[Signature]*

Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

GLOBAL CROSSING)
TELECOMMUNICATIONS, INC.,)
a Michigan Corporation,)

Plaintiff,)

Civil Action No.

BELLSOUTH)
TELECOMMUNICATIONS, INC.,)
a Georgia corporation,)

1:01-CV-2706

Defendant.)
_____)

CONSENT ORDER EXTENDING TIME FOR DEFENDANT TO ANSWER OR
OTHERWISE RESPOND TO COMPLAINT

By agreement of the parties, and with the express
consent of counsel for Plaintiff and counsel for Defendant:

It appearing that Plaintiff filed its Complaint on
October 11, 2001 and service was perfected on October 12,
2001;

It further appearing that Plaintiff has consented to a
fourteen-day extension of time, to and including November
15, 2001, within which Defendant may answer or otherwise
respond to the Complaint;

NOW, THEREFORE, IT IS ORDERED, in accordance with Rule
6 of the Federal Rules of Civil Procedure and pursuant to
Local Rule 6.2, that the time within which Defendant may

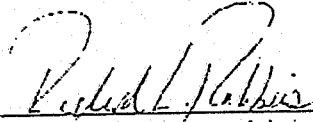
answer or otherwise respond to the Complaint is EXTENDED to
and including November 15, 2001.

SO ORDERED this _____ day of _____, 2001.

Clerk of the U.S.D.C.

AGREED to this 20th day of October, 2001 by:

GLOBAL CROSSING
TELECOMMUNICATIONS, INC.

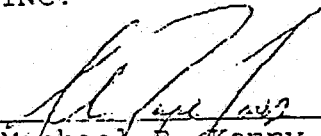

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Counsel for Defendant
BellSouth Telecommunications,
Inc.

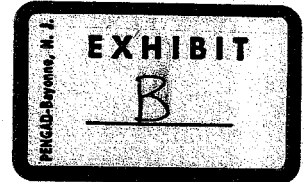
BELLSOUTH TELECOMMUNICATIONS, INC.
BY: Operations Manager - Pricing
29G57, 675 W. Peachtree St., N.E.
Atlanta, Georgia 30375
ISSUED: APRIL 30, 2001

TARIFF F.C.C. NO. 1
16TH REVISED PAGE 2-16
CANCELS 15TH REVISED PAGE 2-16

EFFECTIVE: MAY 15, 2001

ACCESS SERVICE

2 - General Regulations (Cont'd)



2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(A) Jurisdictional Reports (Cont'd)

- (2) For BellSouth Directory Assistance Access Service and BellSouth Direct Access to Directory Assistance Service, the Telephone Company developed PIU for BellSouth SWA FGD terminating will apply. For BellSouth Electronic White Pages Access service, the customer's projected interstate percent usage (PIU) will be applied.
- (3) For BellSouth Operator Assistance Access Service and BellSouth Flat Rated DA Trunks, the customer must state in its order the PIU anticipated as specified in 2.3.10(A)(1)(c) preceding. The customer may only report a PIU of less than 100%, where the service is also available for intrastate use. Subsequent PIU factors will be reported as required in (5) following.
- (4) For BellSouth CCS7 Access Arrangement, the customer must state in its order the PIU anticipated as specified in 2.3.10(A)(1)(c) preceding. The PIU reported will then be applied to the rates for Signaling Connections and Terminations to arrive at the amount the customer is billed for interstate usage of these facilities each month.

(M)(M)(M)(M)(M)(M)(M)(C)
(M)(M)(M)(M)(M)(M)(M)(C)

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA).

Certain material previously appearing on this page now appears on Original
Page 2-16.1.

EFFECTIVE: MAY 15, 2001

ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(A) Jurisdictional Reports (Cont'd)

(4) (Cont'd)

In addition, the PIU will be applied to the total messages and the resulting figure multiplied by the appropriate rate per message to determine the amount that the customer will be billed for interstate usage. Subsequent PIU factors will be reported as required in (5) following.

- (5) Effective July 1, 2001 the customer will update the jurisdictional report associated with BellSouth Operator Assistance Access Service, BellSouth Flat Rated DA Trunks and BellSouth CCS7 Access Arrangement, when both interstate and intrastate service is provided.

Effective October 1, 2000, the customer will provide a single factor as the projected Percent Interstate Usage (PIU) to apportion the usage between interstate and intrastate. This PIU factor will apply to the following categories: BellSouth SWA Local Channel, BellSouth SWA Dedicated Interoffice Channel and Channelization Equipment.

Effective July 1, 2000, the customer's projected Percent Interstate Usage (PIU) will be provided at a statewide level on a local exchange company basis.

Effective on the first of January, April, July and October of each year the customer will update the interstate and intrastate jurisdictional report, except where Telephone Company Measured Access minutes are used as set forth in (1) preceding. The customer will forward to the Telephone Company, to be received no later than 30 days after the first of each such month, a revised report or letter for all services showing the interstate and intrastate percentage of use for the past three months ending the last day of December, March, June and September, respectively, for each service arranged for interstate use.

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSB SA).

Certain material appearing on this page previously appeared on 15th Revised Page 2-16.

BELLSOUTH TELECOMMUNICATIONS, INC.
BY: Operations Manager - Pricing
29657, 675 W. Peachtree St., N.E.
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ISSUED: May 10, 2001

TARIFF F.C.C. NO. 1
14TH REVISED PAGE 2-17
CANCELS 13TH REVISED PAGE 2-17

EFFECTIVE: May 15, 2001

ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(A) Jurisdictional Reports (Cont'd)

(5) (Cont'd)

(S)(X)

The revised report or letter will serve as the basis for the next three months' billing and will be effective on the bill date for that service. If the customer does not supply an updated quarterly report or letter, the Telephone Company will assume percentages to be the same as those provided in the last quarterly report or letter accepted by the Telephone Company. If an audit has been completed and an updated quarterly report or letter has not been submitted subsequent to the audit, the Telephone Company will assume the PIU factors to be the most recent audited results. For those cases in which a quarterly report or letter has never been received from the customer, the Telephone Company will assume the PIU factors to be the most recent audit results, to be the same as provided in the order for service if no audit has been performed, or 50 percent.

(B) Jurisdictional Report Verification

- (1) When a customer provides a projected interstate usage percent as set forth in (A) preceding, or when a billing dispute arises or a regulatory commission questions the projected interstate percentage for Access, the Telephone Company may, by written request, require the customer to provide the data the customer used to determine the projected interstate percentage. In the case of a third-party provider of CCS7 service to Third-Party Customers as described in (A), preceding, the data will include the data provided by the Third-Party Customers. This written request will be considered the initiation of the audit. The customer shall supply the data to an independent auditor or the Telephone Company within 30 days of the Telephone Company request. The customer shall keep records of call detail from which the percentage of interstate and intrastate use can be ascertained as set forth in (C) following and upon request of the Telephone Company make the records available for inspection at an agreed upon location during normal business hours as reasonably necessary for purposes of verification of the percentages. The Telephone Company will audit data from one quarter unless a longer period is requested by the customer and agreed to by the Telephone Company.

(C)(Y)
(N)(Y)
(N)(Y)
(C)(Y)

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA).

(X) Material filed under Transmittal Number 588 is scheduled to become effective on May 15, 2001.

(Y) Transmittal Number 589 is scheduled to become effective on May 15, 2001 under the authority of Special Permission No. 01-035.

BELLSOUTH TELECOMMUNICATIONS, INC.
BY: Operations Manager - Pricing
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ISSUED: NOVEMBER 1, 1996

TARIFF F.C.C. NO. 1
5TH REVISED PAGE 2-17.1
CANCELS 4TH REVISED PAGE 2-17.1

EFFECTIVE: DECEMBER 16, 1996



ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(B) Jurisdictional Report Verification (Cont'd)

(1) (Cont'd)

Changes to the reported PIU will not be made for the test period. If the customer does not provide the requested data to the Telephone Company or independent auditor within thirty (30) days of the notice of audit, the customer will be in violation of this Tariff and subject to 2.1.8 preceding.

(2) For BellSouth SWA service, verification audits may be conducted no more frequently than once per year except in extreme circumstances. (T)
The Telephone Company and customer will attempt to limit the audit to a reasonable time to effectively complete the audit. The Telephone Company and customer shall respond promptly to requests generated during the audit to ensure timely completion of the audit.

(3) Audits may be conducted by: (a) an independent auditor under contract to the Telephone Company; (b) a mutually agreed upon independent auditor; or (c) an independent auditor selected and paid for by the customer. If the customer selects option (c), where it pays for its own independent audit, the selected auditor must certify that the audit was performed following F.C.C. procedures for measuring interstate traffic as established by Commission Order, and provide to the Telephone Company a report with supporting documentation to verify such procedures.

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA). (T)
(T)
(T)
(T)

EFFECTIVE: DECEMBER 16, 1996



ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(B) Jurisdictional Report Verification (Cont'd)

- (4) If a billing dispute arises or a regulatory commission questions the projected interstate percentage for Special Access (a.k.a. BellSouth SPA) service, the Telephone Company will ask the customer to provide the data the customer used to determine the projected interstate percentage. The customer shall supply the data within 30 days of the Telephone Company request. The customer shall keep records from which the percentage was determined and upon request of the Telephone Company make the records available for inspection as reasonably necessary for purposes of verification of the percentages. (T)

(C) Maintenance of Customer Records for BellSouth SWA (T)

- (1) The customer shall retain for a minimum of six (6) months call detail records that substantiate the interstate percent provided to the Telephone Company as set forth in (A) preceding for BellSouth SWA service. Such records shall consist of (a) and (b), if applicable, following: (T)
- (a) All call detail records such as workpapers and/or backup documentation including paper, magnetic tapes or any other form of records for billed customer traffic, call information including call terminating address (i.e., called number), the call duration, all originating and terminating trunk groups or access lines over which the call is routed, and the point at which the call enters the customer's network and; (T)
- (b) If the customer has a mechanized system in place that calculated the PIU, then a description of that system and the methodology used to calculate the PIU must be furnished and any other pertinent information (such as but not limited to flowcharts, source code, etc.) relating to such system must also be made available. (T)

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA). (T)

BELLSOUTH TELECOMMUNICATIONS, INC.
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29G57, 675 W. Peachtree St., N.E.
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ISSUED: NOVEMBER 1, 1996

TARIFF F.C.C. NO. 1
5TH REVISED PAGE 2-18.1
CANCELS 4TH REVISED PAGE 2-18.1

EFFECTIVE: DECEMBER 16, 1996



ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(D) Audit Results for BellSouth SWA

- (1) Audit results will be furnished to the customer via Certified U.S. Mail (return receipt requested). The Telephone Company will adjust the customer's PIU based upon the audit results. The PIU resulting from the audit shall be applied to the usage for the quarter the audit is completed, the usage for the quarter prior to completion of the audit, and the usage for the two (2) quarters following the completion of the audit. After that time, the customer may report a revised PIU pursuant to (A) preceding. If the revised PIU submitted by the customer represents a deviation of 5 percentage points or more, from the audited PIU, and that deviation is not due to identifiable reasons, the provisions in (B) preceding may be applied. (T)
- (2) Both credit and debit adjustments will be made to the customer's interstate access charges for the specified period to accurately reflect the interstate usage for the customer's account consistent with Section 2.4.1 following. (T)
- (3) If, as a result of an audit conducted by an independent auditor, a customer is found to have over-stated the PIU by 20 percentage points or more, the Telephone Company shall require reimbursement from the customer for the cost of the audit. Such bill(s) shall be due and paid in immediately available funds 30 days from receipt and shall carry a late payment penalty as set forth in Section 2.4.1 following if not paid within the 30 days.

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA). (T)

BELLSOUTH TELECOMMUNICATIONS, INC.
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ISSUED: NOVEMBER 1, 1996

TARIFF F.C.C. NO. 1
5TH REVISED PAGE 2-18.2
CANCELS 4TH REVISED PAGE 2-18.2

EFFECTIVE: DECEMBER 16, 1996



ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(E) Contested Audits

- (1) When a PIU audit is conducted by an independent auditor selected by the Telephone Company, the audit results will be furnished to the customer by Certified U.S. Mail (return receipt requested). The customer may contest the audit results based on substantive cause by providing written notification, by Certified U.S. Mail (return receipt requested), to the Telephone Company within thirty (30) calendar days from the date the audit report is furnished to the customer. When a PIU audit is conducted by an independent auditor selected by the customer, the audit results will be furnished to the Telephone Company by Certified U.S. Mail (return receipt requested). The Telephone Company may contest the audit results by providing written notification, by Certified U.S. Mail (return receipt requested), to the customer within thirty (30) calendar days from the date the audit report is furnished to the Telephone Company.
- (2) Contested audits may be resolved by a neutral arbitrator mutually agreed upon by the Telephone Company and the customer. Arbitration is an option provided in addition to the customer's existing right to file a complaint or legal action in a court of law or at the FCC for resolution of the dispute. The arbitration hearing will be conducted in a state or location within the Telephone Company operating territory where the customer maintains a principle or significant presence or a state and location within the Telephone Company operating territory that is mutually agreed upon by both parties. The arbitration proceeding shall be governed by the law (both statutory and case) of the state in which the arbitration hearing is held, including, but not limited to, the Uniform Arbitration Act, as adopted in that state. The arbitrator shall determine the customer's PIU based on (A) preceding.

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA).

(T)
(T)
(T)
(T)

BELLSOUTH TELECOMMUNICATIONS, INC.
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ISSUED: APRIL 30, 2001

TARIFF F.C.C. NO. 1
5TH REVISED PAGE 2-18.3
CANCELS 4TH REVISED PAGE 2-18.3

EFFECTIVE: MAY 15, 2001

ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.10 Jurisdictional Report Requirements¹ (Cont'd)

(E) Contested Audits (Cont'd)

- (3) Prior to the arbitration hearing, each party shall notify the arbitrator of the PIU percentage which that party believes to be correct. The arbitrator, in deciding, may adopt the PIU percentage of either party or may adopt a PIU percentage different from those proposed by the parties. If the arbitrator adopts a PIU percentage proposed by one of the parties, the other party (whose PIU percentage was not adopted) shall pay all costs of the arbitration. If the arbitrator adopts a PIU percentage higher than either of the PIU percentages proposed by the parties, then the party proposing the lower PIU percentage shall pay all costs of the arbitration. If the arbitrator adopts a PIU percentage lower than either of the PIU percentages proposed by the parties, then the party proposing the higher PIU percentage shall pay all costs of the arbitration. If the arbitrator adopts a PIU percentage which falls between the two percentages adopted by the parties, then the parties shall each pay one-half of the arbitration costs.
- (4) Absent written notification, within the timeframe noted above, the customer must comply with the provisions set forth in (D) preceding. If the customer fails to comply with these provisions, the Telephone Company may refuse additional applications for service and/or refuse to complete any and all pending orders for service or may discontinue the provision of the services to the customer as specified in 2.1.8 preceding.

(D)
(D)

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in Section 6.1.3(A)(5)(j) (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSB SA).

BELLSOUTH TELECOMMUNICATIONS, INC.
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ISSUED: NOVEMBER 1, 1996

TARIFF F.C.C. NO. 1
2ND REVISED PAGE 2-18.4
CANCELS 1ST REVISED PAGE 2-18.4

EFFECTIVE: DECEMBER 16, 1996



ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.11 Determination of Interstate Charges for Mixed Interstate and Intrastate BellSouth SWA Access Service and for PPSN Packet Usage

When mixed interstate and intrastate BellSouth SWA Service or PPSN packet usage, as described in 2.3.10(A)(1)(b) preceding, is provided, all charges (i.e., nonrecurring, monthly and/or usage) including optional feature charges, will be prorated between interstate and intrastate. The percentage provided in the reports as set forth in 2.3.10(A) preceding will serve as the basis for prorating the charges. The percentage of a BellSouth SWA Service or PPSN packet usage to be charged as interstate is applied in the following manner: (T)

- (A) For monthly and nonrecurring chargeable rate elements multiply the percent interstate use times the quantity of chargeable elements times the stated tariff rate per element. (T)
- (B) For usage sensitive (i.e., access minutes and calls) chargeable rate elements, multiply the percent interstate use times actual use (i.e., measured or Telephone Company assumed average use) times the stated tariff rate. (T)

(x) Filed in compliance with F.C.C. Report and Order Released October 16, 1992 and F.C.C. First Memorandum Opinion and Order Released July 21, 1993, CC Docket 91-213.

BELLSOUTH TELECOMMUNICATIONS, INC.
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ISSUED: NOVEMBER 1, 1996

TARIFF F.C.C. NO. 1
2ND REVISED PAGE 2-19
CANCELS 1ST REVISED PAGE 2-19

EFFECTIVE: DECEMBER 16, 1996



ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.11 Determination of Interstate Charges for Mixed Interstate and Intrastate BellSouth SWA and for PPSN Packet Usage (Cont'd)

(T)

(B)(Cont'd)

The interstate percentage will change as revised jurisdictional reports are submitted or as lines or trunks are added or removed as set forth in 2.3.10 preceding.

2.3.12 Determination of Jurisdiction of Mixed Interstate and Intrastate Special Access (a.k.a. BellSouth SPA) Service

(T)

Except for PPSN packet usage as described in 2.3.10(A)(1)(b) preceding, when mixed interstate and intrastate Special Access (a.k.a. BellSouth SPA) service is provided, the jurisdiction will be determined as follows:

(T)
(T)

- If the customer's estimate of the interstate traffic on the service involved constitutes 10% or less of the total traffic on that service, the service will be provided in accordance with the applicable rules and regulations of the appropriate intrastate tariff.
- If the customer's estimate of the interstate traffic on the service involved constitutes more than 10% of the total traffic on that service, the service will be provided in accordance with the applicable rules and regulations of this Tariff.
- The Telephone Company will notify its Special Access (a.k.a. BellSouth SPA) customers via letters or bill inserts of this jurisdictional rule change pursuant to FCC Decision and Order released on July 20, 1989 in CC Docket Nos. 78-72 and 80-286. By this notification, customers will be requested to review their existing and ordered services to certify the jurisdiction for their services. Customer requests to change jurisdictions received by the Telephone Company on or before May 15, 1990 will become effective on May 15, 1990. Customer requests to change jurisdictions received by the Telephone Company after May 15, 1990 will become effective on the date received.

(T)
(T)

BELLSOUTH TELECOMMUNICATIONS, INC.
BY: Operations Manager - Pricing
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ISSUED: JANUARY 8, 1997

TARIFF F.C.C. NO. 1
5TH REVISED PAGE 2-20
CANCELS 4TH REVISED PAGE 2-20

EFFECTIVE: JANUARY 24, 1997

ACCESS SERVICE

2 - General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.12 Determination of Jurisdiction of Mixed Interstate and Intrastate Special Access (a.k.a. BellSouth SPA) Service (Cont'd)

(S)

- Pursuant to FCC Decision and Order released on July 20, 1989 in CC Docket Nos. 78-72 and 80-286, customers may be required to change jurisdiction for certain Special Access (a.k.a. BellSouth SPA) services which have a termination liability. Because of the nature of the change in jurisdiction, the Telephone Company will waive application of the termination liability for a period of 90 days beginning May 15, 1990. The termination liability will be transferred with the jurisdictional change of the service.

(S)

2.3.13 Sectionalization - Trouble Reporting

The customer will be responsible for reporting troubles, sectionalized to Telephone Company facilities and/or equipment. When troubles cannot be clearly sectionalized to the Telephone Company facilities and/or equipment, the Telephone Company will test cooperatively or independently to assist in trouble sectionalization.

Responsibility for payment of additional charges will apply as set forth in Section 13.

2.3.14 Toll Free Dialing Number Reporting

For BellSouth SWA 8XX Toll Free Dialing Access Ten Digit Screening Service the customer will be responsible for reporting to the Telephone Company or directly to the Service Management System BellSouth SWA Toll Free Dialing numbers (800, 888, etc), hereinafter toll free dialing numbers, that are in service in the Telephone Company serving area and the activation date of every toll free dialing number assigned.

(D)(X)
(D)(X)
(D)(X)
(D)(X)
(D)(X)
(D)(X)

2.3.15 Utilization of Alternative Access Providers

When the customer of record for an access service utilizes the service(s) of an alternative access provider, it will be the obligation of the customer to monitor the actions of the alternative access provider to insure that the customer's desired service interconnections and grades of service are maintained.

(x) Filed under the authority of CC Docket No. 93-129, In the Matter of 800 Data Base Access Tariffs and the 800 Service Management System Tariff and CC Docket 86-10, Provision of 800 Services, released October 28, 1996.

(S) Originally filed under Transmittal No. 377 and subsequently deferred under Transmittal No. 387 until January 15, 1997.

BELLSOUTH
TELECOMMUNICATIONS, INC.
TENNESSEE
ISSUED: August 6, 2001
BY: President - Tennessee
Nashville, Tennessee

ACCESS SERVICES TARIFF

Twelfth Revised Page 7
Cancels Eleventh Revised Page 7

EFFECTIVE: September 7, 2001

E2. GENERAL REGULATIONS

E2.3 Obligations of the Customer (Cont'd)

E2.3.12 Reserved for Future Use

E2.3.13 Coordination with Respect to Network Contingencies

The customer shall, in cooperation with the Company, coordinate in planning the actions to be taken to maintain maximum network capability following natural or man-made disasters, which affect telecommunications services.

E2.3.14 Jurisdictional Report Requirements¹

A. Jurisdictional Reports

1. Percent Interstate Usage (PIU)²

- a. When the Company receives sufficient call detail to permit it to determine the jurisdiction of originating and terminating access minutes of use, the Company will bill according to these actual minutes of use and will not use the customer reported Percent Interstate Usage (PIU) factors. The Company developed percent interstate usage for access minutes of use will be determined at a statewide level.

The interstate percentage will be developed on a monthly basis by end office, when the access minutes are measured by dividing the measured interstate originating or terminating access minutes (the access minutes where the calling number is in one state and the called number is in another state) by the total originating or terminating access minutes.

The Company will bill according to actual measured minutes of use for all services listed in b. and 4. following with the exception of those listed below:

- BellSouth SWA Local Channel
- BellSouth SWA Dedicated Interoffice Channel
- BellSouth Billing Name and Address
- BellSouth Inward Operator Service
- Channelization Equipment
- DNALs associated with BellSouth SWA LSBSA

Where the Company receives insufficient call detail to determine the jurisdiction, the Company will apply the customer's projected PIU factor to apportion the usage between interstate and intrastate. In the event the customer does not have sufficient call detail to determine the jurisdiction of the call, only then will a PIU of 50 percent be applied.

The customer will provide in its initial order the projected Percent Interstate Usage (PIU) at a statewide level on a local exchange company specific basis. When the customer computes the PIU it will subtract the developed percentage from one-hundred and the difference is the percent intrastate usage. The sum of the interstate and intrastate percentages will equal one-hundred percent. A PIU of less than one-hundred percent is not allowed where the service is not available as an intrastate access service. The projected *PIU will be rounded to a whole number.*

Interstate usage is to be developed as though every call that initially *enters a customer network at a point* within the same state as that in which the called station (as designated by the called station number) is situated is an intrastate communication and every call for which the point of *entry* is in a state other than that where the called station (as designated by the called number) is situated is an interstate communication.

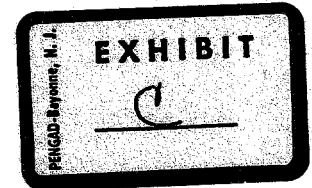
The Company will designate the number obtained by subtracting the projected interstate percentage furnished by the customer from 100 (100 - customer percentage - intrastate percentage) as the projected intrastate percentage of use.

- b. When a customer initially orders service(s), as defined in the following, the customer will state in its order the Percent Interstate Usage (PIU) separately for each, as set forth in a. preceding.

- BellSouth SWA FGA
- BellSouth SWA FGB
- BellSouth SWA FGD
- BellSouth SWA 500

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in the matrix in E6.1.3.A. (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA).

Note 2: All references to BellSouth CCS7 Access Arrangement, signaling traffic and messages have been removed effective June 15, 2001.



BELLSOUTH
TELECOMMUNICATIONS, INC.
TENNESSEE
ISSUED: August 6, 2001
BY: President - Tennessee
Nashville, Tennessee

ACCESS SERVICES TARIFF

Eighth Revised Page 7.0.1
Cancels Seventh Revised Page 7.0.1

EFFECTIVE: September 7, 2001

E2. GENERAL REGULATIONS**E2.3 Obligations of the Customer (Cont'd)****E2.3.14 Jurisdictional Report Requirements¹ (Cont'd)****A. Jurisdictional Reports (Cont'd)****1. Percent Interstate Usage (PIU) (Cont'd)²**

- 700 Service Access
- BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening
- **(DELETED)**
- BellSouth SWA 900 Service
- BellSouth SWA Local Channel
- BellSouth SWA Dedicated Interoffice Channel
- Channelization Equipment
- DNALs associated with BellSouth SWA LSBSA
- BellSouth Billing Name and Address
- BellSouth Inward Operator Service

(D)

The Percent Interstate Usage (PIU) factors associated with BellSouth SWA FGA, BellSouth SWA FGB, BellSouth SWA FGD, BellSouth SWA 500, 700, 900 and BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening, this PIU will also apply to all associated elements and services, e.g., Carrier Common Line, Local Switching, BellSouth SWA Common Interoffice Channel, Interconnection and Access Tandem, Common Trunk Port Service and minute of use based multiplexer rate elements, where applicable.

The PIU category, BellSouth SWA Local Channel, includes Dedicated End Office Trunk Port Service and Dedicated Tandem Trunk Port Service charges and other flat rated charges not specifically covered by other PIU categories.

The customer will provide a single factor as the projected Percent Interstate Usage (PIU) to apportion the usage between interstate and intrastate. This factor will be applied to the following categories:

- BellSouth SWA Local Channel
- BellSouth SWA Dedicated Interoffice Channel
- Channelization Equipment

The PIU factor provided for each of the foregoing facilities categories (Switched Local Channel, BellSouth SWA Dedicated Interoffice Channel and Channelization Equipment) will reflect the combination of all traffic types which traverse such facility category.

When Special Access (a.k.a. BellSouth SPA) service is provided on a BellSouth SWA facility, e.g., Special Access DS1 (a.k.a. BellSouth SPA DS1) on a BellSouth SWA DS3, the facility will be apportioned between BellSouth SWA and Special Access (a.k.a. BellSouth SPA). The jurisdiction of the Special Access (a.k.a. BellSouth SPA) service shall reflect the composite of the jurisdiction of the lower capacity services, if any, of which it is comprised.

(M)

The customer shall compute the PIU using the following formula (rounded to a whole percentage).

(M) (C)

Total Interstate		Total Interstate	
Originating Minutes	+	Terminating Minutes	
<hr/>			
Total		Total	
Originating Minutes	+	Terminating Minutes	

(M)

(M)

(M)

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in the matrix in E6.1.3.A. (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA).

Note 2: All references to BellSouth CCS7 Access Arrangement, signaling traffic and messages have been removed effective June 15, 2001.

(N)

BELLSOUTH
TELECOMMUNICATIONS, INC.
TENNESSEE
ISSUED: July 1, 2000
BY: President - Tennessee
Nashville, Tennessee

ACCESS SERVICES TARIFF

Fourth Revised Page 7.1
Cancels Third Revised Page 7.1

EFFECTIVE: August 1, 2000

E2. GENERAL REGULATIONS

E2.3 OBLIGATIONS of the Customer (Cont'd)

E2.3.14 Jurisdictional Report Requirements¹ (Cont'd)

A. Jurisdictional Reports (Cont'd)

(T)

BELLSOUTH
TELECOMMUNICATIONS, INC.
TENNESSEE
ISSUED: August 6, 2001
BY: President - Tennessee
Nashville, Tennessee

ACCESS SERVICES TARIFF

Twelfth Revised Page 8
Cancels Eleventh Revised Page 8

EFFECTIVE: September 7, 2001

E2. GENERAL REGULATIONS

E2.3 Obligations of the Customer (Cont'd)

E2.3.14 Jurisdictional Report Requirements¹ (Cont'd)

A. Jurisdictional Reports (Cont'd)²

2. For BellSouth Directory Assistance Access service, the Company developed PIU for BellSouth SWA FGD terminating will apply.
3. (DELETED)

(D)

(M)

(T)

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in the matrix in E6.1.3.A. (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA).

Note 2: All references to BellSouth CCS7 Access Arrangement, signaling traffic and messages have been removed effective June 15, 2001.

(N)

BELLSOUTH
TELECOMMUNICATIONS, INC.
TENNESSEE
ISSUED: August 6, 2001
BY: President - Tennessee
Nashville, Tennessee

ACCESS SERVICES TARIFF

Twelfth Revised Page 9
Cancels Eleventh Revised Page 9

EFFECTIVE: September 7, 2001

E2. GENERAL REGULATIONS**E2.3 Obligations of the Customer (Cont'd)****E2.3.14 Jurisdictional Report Requirements¹ (Cont'd)****A. Jurisdictional Reports (Cont'd)²**

4. Effective October 1, 2000, the customer will provide a single factor as the projected Percent Interstate Usage (PIU) to apportion the usage between interstate and intrastate. This PIU will apply to the following categories; BellSouth SWA Local Channel, BellSouth Dedicated Interoffice Channel and Channelization Equipment. (C)

Effective July 1, 2000, the customer's projected Percent Interstate Usage (PIU) will be provided at a statewide level on a local exchange company specific basis.

Effective on the first of January, April, July and October of each year the customer will update the interstate and intrastate jurisdictional report. The customer will forward to the Company, to be received no later than 30 days after the first of each such month, a revised report for all services showing the interstate and intrastate percentage of use for the past three months ending the last day of December, March, June and September, respectively, for each service arranged for interstate use. The revised report will serve as the basis for the next three months billing, and will be effective on the bill date for that service. If the customer does not supply an updated quarterly report, the Company will assume the percentage interstate usage to be the same PIU as provided in the last quarterly report accepted by the Company. If an audit has been completed and an updated quarterly report has not been submitted subsequent to the audit, the Company will assume the PIU factors to be the most recent audited results. For those cases in which a quarterly report has never been received from the customer, the Company will assume the PIU factors to be the most recent audit results or to be the same as provided in the order for service if no audit has been performed.

5. When mixed interstate and intrastate Special Access (a.k.a. BellSouth SPA) service is provided, the jurisdiction will be determined as follows.

- If the customer's estimate of the interstate traffic on the service involved constitutes ten percent or less of the total traffic on that service, the service will be provided in accordance with the applicable rules and regulations of this Tariff.
- If the customer's estimate of the interstate traffic on the service involved constitutes more than ten percent of the total traffic on that service, the service will be provided in accordance with the applicable rules and regulations of the BellSouth Telecommunications, Inc. Tariff FCC No. 1.

The customer shall keep records from which the percentage of interstate and intrastate use was estimated and upon request of the Company make the records available for inspection as reasonably necessary for purposes of verification of the percentages. The customer shall supply the data within thirty days of the Company request.

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in the matrix in E6.1.3.A e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA). (T)

Note 2: All references to BellSouth CCS7 Access Arrangement, signaling traffic and messages have been removed effective June 15, 2001. (N)

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Nashville, Tennessee

ACCESS SERVICES TARIFF

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E2. GENERAL REGULATIONS**E2.3 Obligations of the Customer (Cont'd)****E2.3.14 Jurisdictional Report Requirements¹ (Cont'd)****B. Jurisdictional Report Verification²**

1. When a customer provides a projected interstate usage percent as set forth in A. preceding, or when a billing dispute arises or a regulatory commission questions the projected interstate percentage for BellSouth SWA, the Company may, by written request, require the customer to provide the data the customer used to determine the projected interstate percentage. This written request will be considered the initiation of the audit. The customer shall supply the data to an independent auditor within thirty days of the Company request. The customer shall keep records of call detail from which the percentage of interstate and intrastate use can be ascertained as set forth in C. following and upon request of the Company make the records available for inspection at an agreed upon location during normal business hours as reasonably necessary for purposes of verification of the percentages. The Company will audit data from one quarter unless a longer period is requested by the customer and agreed to by the Company. Changes to the reported PIU will not be made for the test period. If the customer does not provide the requested data to the Company or independent auditor within thirty days of the notice of audit, the customer will be in violation of this Tariff and subject to E2.1.8 preceding. (C)
2. For BellSouth SWA service, verification audits may be conducted no more frequently than once per year except in extreme circumstances. The Company and customer will attempt to limit the audit to a reasonable time to effectively complete the audit. The Company and customer shall respond promptly to requests generated during the audit to ensure timely completion of the audit.

The Company will work cooperatively with other Local Exchange Companies to develop joint audits of a customer in an effort to limit a customer's total state PIU audit to one per year.

3. Audits may be conducted by: (a) an independent auditor under contract to the Company; (b) a mutually agreed upon independent auditor; or (c) an independent auditor selected and paid for by the customer. If the customer selects option (c), where it pays for its own independent audit, the selected auditor must certify that the audit was performed following FCC procedures for measuring interstate and intrastate traffic as established by Commission Orders, and provide to the Company a report with supporting documentation to verify such procedures.
4. If a billing dispute arises or a regulatory commission questions the projected interstate percentage for Special Access (a.k.a. BellSouth SPA) service, the Company will ask the customer to provide the data the customer uses to determine the projected interstate percentage. The customer shall supply the data within thirty days of the Company request to an independent auditor. The customer shall keep records from which the percentage was determined and upon request of the Company make the records available for inspection as reasonably necessary for purposes of verification of the percentages.

C. Maintenance of Customer Records for BellSouth SWA

1. The customer shall retain for a minimum of six (6) months call detail records that substantiate the interstate percent provided to the Company as set forth in A. preceding for BellSouth SWA service. Such records shall consist of a. and b., (if applicable,) following:
 - a. All call detail records such as workpapers and/or backup documentation including paper, magnetic tapes or any other form of records for billed customer traffic, call information including call terminating address (i.e., called number), the call duration, all originating and terminating trunk groups or access lines over which the call is routed, and the point at which the call enters the customer's network and;

Note 1: Except where indicated herein, references to BellSouth SWA FGs will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in the matrix in E6.1.3.A. (e.g., the term BellSouth SWA FGA represents both BellSouth SWA FGA and BellSouth SWA LSBSA).

Note 2: All references to BellSouth CCS7 Access Arrangement, signaling traffic and messages have been removed effective June 15, 2001. (N)

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EFFECTIVE: March 26, 1997

E2. GENERAL REGULATIONS

E2.3 Obligations of the Customer (Cont'd)

E2.3.14 Jurisdictional Report Requirements¹ (Cont'd)C. Maintenance of Customer Records for *BellSouth SWA* (Cont'd)

1. (Cont'd)

- b. If the customer has a mechanized system in place that calculated the PIU, then a description of that system and the methodology used to calculate the PIU must be furnished and any other pertinent information (such as but not limited to flowcharts, source code, etc.) relating to such system must also be made available.

D. Audit Results for *BellSouth SWA*

1. Audit results will be furnished to the customer via Certified U.S. Mail (return receipt requested.) The Company will adjust the customer's PIU based upon the audit results. The PIU resulting from the audit shall be applied to the usage for the quarter the audit was completed, the usage for the quarter prior to completion of the audit, and to the usage for the two (2) quarters following the completion of the audit. After that time, the customer may report a revised PIU pursuant to A. preceding. If the revised PIU submitted by the customer represents a deviation of five percentage points or more, from the audited PIU, and that deviation is not due to identifiable reasons, the provisions in B. preceding will be applied.
2. Both credit and debit adjustments will be made to the customer's interstate and intrastate access charges for the specified period to accurately reflect the usage for the customer's account consistent with E2.4.1 following.
3. If, as a result of an audit conducted by an independent auditor, under contract to the Company, a customer is found to have overstated the PIU by twenty percentage points or more, the Company shall require reimbursement from the customer for the cost of the audit. Such bill(s) shall be due and paid in immediately available funds thirty days from receipt and shall carry a late payment penalty as set forth in E2.4.1 following.

E. Contested Audits

1. When a PIU audit is conducted by an independent auditor selected by the Company, the audit results will be furnished to the customer by Certified U.S. Mail (return receipt requested). The customer may contest the audit results based on substantive cause by providing written notification, by Certified U.S. Mail (return receipt requested), to the Company within thirty (30) calendar days from the date the audit report is furnished to the customer by Certified U.S. Mail. When a PIU audit is conducted by an independent auditor selected by the customer, the audit results will be furnished to the Company by Certified U.S. Mail (return receipt requested). The Company may contest the audit results by providing written notification, by Certified U.S. Mail (return receipt requested), to the customer within thirty (30) calendar days from the date the audit report is furnished to the Company by Certified U.S. Mail.
2. Contested audits may be resolved by a neutral arbitrator mutually agreed upon by the Company and the customer. Arbitration is an option provided in addition to the customer's existing right to file a complaint or legal action in a court of law or at the Commission for resolution of the dispute. The arbitration hearing will be conducted in a state or location within the Company operating territory where the customer maintains a principle or significant presence, as mutually agreed upon by both parties, or a state and location within the Company operating territory that is mutually agreed upon by both parties. The arbitration proceeding shall be governed by the law (both statutory and case) of the state in which the arbitration hearing is held, including, but not limited to, the Uniform Arbitration Act, as adopted in that state. The arbitration shall determine the customer's PIU based on A. preceding.

Note 1: Except where indicated herein, references to *BellSouth SWA FGs* will also include the applicable *BellSouth SWA* Basic Serving Arrangement as detailed in the matrix in E6.1.3.A. (e.g., the term *BellSouth SWA FGA* represents both *BellSouth SWA FGA* and *BellSouth SWA LSBSA*).

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E2. GENERAL REGULATIONS**E2.3 Obligations of the Customer (Cont'd)****E2.3.14 Jurisdictional Report Requirements¹ (Cont'd)****E. Contested Audits (Cont'd)**

3. Prior to the arbitration hearing, each party shall notify the arbitrator of the PIU percentage which that party believes to be correct. The arbitrator, in deciding, may adopt the PIU percentage of either party or may adopt a PIU percentage different from those proposed by the parties. If the arbitrator adopts a PIU percentage proposed by one of the parties, the other party (whose PIU percentage was not adopted) shall pay all costs of the arbitration. If the arbitrator adopts a PIU percentage higher than either of the PIU percentages proposed by the parties, then the party proposing the lower PIU percentage shall pay all costs of the arbitration. If the arbitrator adopts a PIU percentage lower than either of the PIU percentages proposed by the parties, then the party proposing the higher PIU percentage shall pay all costs of the arbitration. If the arbitrator adopts a PIU percentage which falls between the two percentages adopted by the parties, then the parties shall each pay one-half of the arbitration costs.
4. Absent written notification, within the time frame noted above, the customer must comply with the provisions set forth in D. preceding. If the customer fails to comply with these provisions, the Company may refuse additional applications for service and/or refuse to complete any and all pending orders for service or may discontinue the provision of the services to the customer as specified in E2.1.8 preceding.

Note 1: Except where indicated herein, references to *BellSouth SWA FGs* will also include the applicable *BellSouth SWA* Basic Serving Arrangement as detailed in the matrix in E6.1.3.A. (e.g., the term *BellSouth SWA FGA* represents both *BellSouth SWA FGA* and *BellSouth SWA LSBSA*).

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TENNESSEE
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Nashville, Tennessee

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E2. GENERAL REGULATIONS**E2.3 Obligations of the Customer (Cont'd)****E2.3.15 Determination of Intrastate Charges for Mixed Interstate and Intrastate BellSouth SWA Service¹**

- A. When mixed interstate and intrastate *BellSouth SWA* service is provided, all charges (i.e., nonrecurring, monthly and/or usage) including optional feature and Basic Service Element (BSE) charges, will be prorated between interstate and intrastate. The percentage provided in the reports as set forth in E2.3.14.A. preceding will serve as the basis for prorating the charges. The percentage of a *BellSouth SWA* service to be charged as intrastate is applied in the following manner:

1. For monthly and nonrecurring chargeable rate elements, multiply the percent intrastate use times the quantity of chargeable elements times the stated tariff rate per element.
2. For usage sensitive (i.e., access minutes and calls) chargeable rate elements, multiply the percent intrastate use times the actual use (i.e., measured or Company assumed average use) times the stated tariff rate.

The intrastate percentage will change as revised jurisdictional reports are submitted as set forth in E2.3.14 preceding.

E2.3.16 Determination of Jurisdiction of Mixed Interstate and Intrastate Special Access (a.k.a. BellSouth SPA) Service

When mixed interstate and intrastate Special Access (*a.k.a. BellSouth SPA*) service is provided, the jurisdiction will be determined as follows:

- If the customer's estimate of the interstate traffic on the service involved constitutes 10 percent or less of the total traffic on that service, the service will be provided in accordance with the applicable rules and regulations of this Tariff.
- If the customer's estimate of the interstate traffic on the service involved constitutes more than 10 percent of the total traffic on that service, the service will be provided in accordance with the applicable rules and regulations of the BellSouth Telecommunications, Inc. Tariff F.C.C. No. 1.

-The Company will notify its Special Access (*a.k.a. BellSouth SPA*) customers via letters or bill inserts of this jurisdictional rule change pursuant to FCC Decision and Order released on July 20, 1989 in CC Docket Nos. 78-72 and 80-286. By this notification, customers were requested to review their existing and ordered services to certify the jurisdiction for their services. Customer requests to change jurisdictions received by the Company on or before May 15, 1990 become effective on May 15, 1990. Customer requests to change jurisdictions received by the Company after May 15, 1990 will become effective on the date received.

-Pursuant to FCC Decision and Order released on July 20, 1989 in CC Docket Nos. 78-72 and 80-286, customers may be required to change jurisdiction for certain Special Access (*a.k.a. BellSouth SPA*) services which have a termination liability. The termination liability will be transferred with the jurisdictional change of the service.

Note 1: Except where indicated herein, references to *BellSouth SWA FGs* will also include the applicable *BellSouth SWA* Basic Serving Arrangement as detailed in the matrix in E6.1.3.A. (e.g., the term *BellSouth SWA FGA* represents both *BellSouth SWA FGA* and *BellSouth SWA LSBSA*).

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E2. GENERAL REGULATIONS**E2.3 Obligations of the Customer (Cont'd)****E2.3.17 Sectionalization - Trouble Reporting**

The customer will be responsible for reporting troubles, sectionalized to Company facilities and/or equipment. When troubles cannot be clearly sectionalized to the Company facilities and/or equipment, the Company will test cooperatively or independently to assist in trouble sectionalization.

Responsibility for payment of additional charges will apply as set forth in Section E13. of this Tariff.

E2.3.18 County-Wide Calling

- A. BellSouth SWA rates are not applicable for intraLATA and interLATA calls originated and terminated within the boundaries of a single county.

The customer *must* report actual minutes of use to the Company for interLATA calls originated and terminated within the boundaries of a single county. This usage should be reported no later than 45 days after the end of each quarter (i.e., February 14, May 15, August 14, and November 14) by BellSouth SWA FGA, BellSouth SWA FGB, BellSouth SWA FGD, BellSouth SWA LSBSA or BellSouth SWA TSBSA 1 or BellSouth SWA TSBSA 3. *In the absence of quarterly reports, no credit will be due the customer.* For calls originated or terminated over Special Access (a.k.a. BellSouth SPA) service, only the BellSouth SWA charges will be credited to the customer for these calls. No credit will be given for any call that originates and terminates over Special Access (a.k.a. BellSouth SPA) service irrespective of whether the call is intra-county.

The company will provide a credit to the customer for reported actual interLATA minutes of use for calls originated and terminated within county boundaries. The per minute rate credit will include Originating and Terminating Carrier Common Line, BellSouth SWA Transport average rate,¹ Local Switching 1 (for BellSouth SWA FGA and BellSouth SWA FGB), Local Switching 2 (for BellSouth SWA FGD), Local Switching 3 (BellSouth SWA LSBSA and BellSouth SWA TSBSA 1) and Local Switching 4 (BellSouth SWA TSBSA 3), rate elements.

All reported minutes of use are subject to audit. The customer shall maintain and retain for a minimum of six months, complete, detailed and accurate records of all reported minutes of use sufficient to allow the Company or auditor to determine the accuracy of the reported minutes of use. In the absence of such records, no credit will be due the customer. Any credit given for periods for which such records do not exist may be recovered by the Company by offsetting such credit against any such credit due the customer from the Company.

E2.3.19 800 Number Reporting

For BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening service the customer will be responsible for reporting to the Company or directly to the Service Management System 800 numbers that are in service in the Company serving area and the activation date of every 800 number assigned.

Additionally, the provision of BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening service, provided from Section E6. following, requires the customer's subscription to basic BellSouth 8XX Toll Free Dialing Number Administration service features found in Section E13. of this Tariff or as an alternative the provision of those features by other responsible organizations or through direct access by the customer to the Service Management System.

Note 1: The average BellSouth SWA Transport rate will be recalculated with each BellSouth SWA Transport rate change or at least once annually. The current BellSouth SWA Transport rate is \$.00297.